

## **MINUTES OF MEETING**

The 211<sup>th</sup> meeting of the Rhode Island Student Loan Authority was held on Friday, February 21, 2014 in the McKenna Conference Room, 1<sup>st</sup> Floor, 560 Jefferson Boulevard, Warwick, Rhode Island.

### **Members in attendance:**

Mr. Robert J. Delaney  
Mr. Robert R. Theroux  
Mr. Daniel P. Egan  
Ms. Christine Barnes Jenkins  
Mr. Chris Feisthamel, Designee of the General Treasurer

### **Members Absent:**

Mr. Dennis J. Duffy, Esq.

### **Others in attendance:**

Mr. Charles Kelley  
Mr. Noel Simpson  
Ms. Jennifer Dutch  
Mr. Kevan McAleer  
Ms. Deborah Machowski  
Mr. Joseph Palumbo  
Mr. Blake Collins  
Ms. Susan C. Kiernan, Esq.  
Mr. Adrian VanAlphen  
Mr. Michael Capraro  
Mr. John Howell  
Mr. Ben Chandhok

The meeting was called to order at 8:35 a.m.

Upon a motion made by Mr. Feisthamel and seconded by Ms. Jenkins, it was unanimously

VOTED to approve the minutes from the Board of Directors meeting held on January 17, 2014.

### **Chairman's Report**

Mr. Delaney mentioned that he, Mr. Kelley, Mr. Simpson, and Mr. Palumbo attended the House Oversight Hearing and that there were no issues to report.

Mr. Delaney also mentioned that he attended the Make It Happen Event for economic growth where bridge.jobs was referenced and Mr. VanAlphen had given a short presentation.

## Executive Director's Report

Mr. Kelley announced that the New England Board of Higher Education will be holding its annual dinner on March 7<sup>th</sup> in Boston and will be honoring RISLA's Adrian Van Alphen with an award for his work with the internship program and bridge.jobs.

## Review of Proposed State Legislation

Mr. Kelley reviewed proposed state legislation that involves RISLA.

He discussed an amendment to RISLA's enabling legislation that would clarify that RISLA should offer refinancing for education loans and also to allow for RISLA to purchase its own bonds as an investment, which under certain circumstances could help to lower the cost of financing and therefore the rates for student and parent borrowers.

Mr. Kelley discussed a resolution, proposed by Senator Pichardo, regarding expanding bridge.jobs to high school students, similar to job shadowing.

Mr. Kelley talked about legislation impacting all quasi public agencies regarding transparency in governance, such as annual performance audits. Mr. Theroux suggested adding agenda items to fill committees and move forward since the turn over with new board members.

Mr. Kelley discussed legislation relating to education called Pay It Forward, which is modeled after a pilot program in Oregon, in which an individual attending a public school would not pay tuition at the current time but would sign an agreement to pay a certain percent of their future earnings for up to twenty-five years after they graduate. Mr. Delaney said the board would need to further review the proposed legislation in order to make an educated comment.

Upon a motion made by Mr. Theroux and seconded by Ms. Jenkins, it was unanimously

VOTED to offer the services of the RISLA Board of Directors to legislators to provide knowledge and support regarding the capabilities and nuances of financial aid to assist them in better understanding the ramifications of this proposed legislation.

## Bridge.jobs Update, Resolution, Survey Results, and Public Awareness

Mr. Kelley discussed the survey results with the board. He noted that 91% of employers find internships on resumes important, but only 30% offer them. He also noted that the survey shows that RISLA has some work to do with public awareness. Mr. Delaney suggested getting in touch with the Workforce Investment Board and summer youth internship program.

A brief presentation of the bridge.jobs commercial was shown to the members of the board.

### **Action Item #6: Approval of RISLA/RIHEAA Lease**

Mr. Kelley highlighted certain lease terms agreed upon with RIHEAA. It is a one year lease that began 10/1/2013, with a two year renewable period as long as RIHEAA retains ownership of the building. The lease also provides that RISLA would not be forced to vacate from May 1 to June 30 during the renewable period as this is RISLA's busy season. There is also a mutual 90 day notice permitting either party to terminate the lease during the renewal period.

Upon a motion made by Mr. Theroux seconded by Ms. Jenkins, it was unanimously

VOTED to approve the RISLA/RIHEAA lease.

**Action Item #7: Bond Issue Authorizing Resolution**

Mr. Kelley discussed the new bond issue in which RISLA would issue approximately \$45 million in tax exempt and taxable bonds to finance loans to students and parents for the 2014-2015 school year and refinancing loans for borrowers who are in repayment.

RISLA would like the lowest cost of funds possible for the refinancing of loans in order to be beneficial to students and families. As a consequence, RISLA may need to contribute more capital into the bond issue to accomplish that. The resolution asks to authorize \$1.4 million, but may need to put in \$2.1 million. Ms. Kiernan, bond counsel to the Authority, suggested increasing the amount of funds that the Authority needs to make available to \$2.1 million. She also suggested changing Section 1 to reference the 2014 Senior Series A and the 2014 Senior Series B.

Upon a motion made by Mr. Feisthamel and seconded by Mr. Egan, it was unanimously

VOTED to accept the changes as stated by Ms. Kiernan and to approve the bond issue authorizing resolution.

**Action Item #7: Bond Issue Budget**

Mr. Kelley discussed the budget items for the bond issue.

Upon a motion made by Mr. Feisthamel and seconded by Mr. Theroux, it was unanimously

VOTED to approve the bond issue budget.

**March Board Retreat – Discussion of Topics and Supporting Materials**

Mr. Kelley asked the board if there were any topics that the board members would like to discuss at the retreat being held at NE Tech on March 21<sup>st</sup>. Mr. Theroux suggested discussing RISLA's IT structure and where the organization is going in 3 years, 5 years, and 10 years. Mr. Delaney suggested providing the board members with a list of invitees. Mr. Feisthamel suggested providing a copy of the organization's business matrix.

Upon a motion made by Ms. Jenkins and seconded by Mr. Theroux it was unanimously

VOTED to adjourn at 9:50 a.m.

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Mr. Robert Theroux  
Secretary